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## **The Impact of Globalization on Education Export**

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# The Impact of Globalization on Education Export

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**Abstract:** Globalization provides up chances for the exchange of knowledge, technology, social values, and behavioral norms, as well as the promotion of development at all levels, including individuals, organizations, communities, and societies, across different countries and cultures. At present, higher education is a component of the larger globalization movement. Owing to globalization, one of the key developments that determines the fundamental principles upon which contemporary institutions are built is the internationalization of higher education. In this study, we attempted to compare the problems faced by foreign students, their solutions, and the experience of other countries in the export of higher education. The export of higher education is that of the school and the country. It brings a lot of social and economic benefits, but with other countries In comparison, the export of higher education in our country is insufficient.

**Keywords:** Globalization, Education export, Industry IV, Challenge

## 1. INTRODUCTION

Globalization, as a policy, seeks to eliminate restrictions on trade, exchange of services, flow of foreign and local investments, and trading in financial, monetary, and fiscal transactions. Globalization led to changes in educational policies and pedagogical practices at the global, national, and local levels through the transfer of knowledge and the dissemination of Western modernity [1].

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The 1980s and 1990s witnessed a structural change in the world economy and education that featured many forms of transfer of Western educational culture, including educational reform, structural adjustment programs, education for all policies, and transnational corporations. The notion that education could be an export if delivered to foreign students through the mobility of students is a key part of the current thinking of universities. Education for export is an opportunity for universities to generate revenue while increasing research and training activities. It involves teaching and learning of students from different countries, and this intercultural interaction is advantageous for the institution, students, and the country [2].

### **1.1 BACKGROUND AND SIGNIFICANCE**

By combining their respective comparative advantages, the East and the West would be able to optimize their resources to cope with the physical or demographic challenges of population growth, the wealth generation imperatives of ever-expanding trade and capital movement, and the human resources requirements of every evolving knowledge economies [4]. The question is: How should the East and the West re-position themselves to maximize their gains? It has long been acknowledged that the rewards from education are the most rewarding of all investments. The wage premium of the educated has been estimated to be about 50% against the income of the less educated in the United States; up to 20% for females who complete secondary requirements in Indonesia; 10-15% for males in Argentina who complete secondary courses. In addition, those who complete tertiary level requirements earn wages that are much higher-resulting from the better or specialized training received. In many societies, retrenchment costs can be minimized since lay-offs usually result from impetus or unexpected factors. Wages are either one of the fastest-growing expenditures of all firms and organizations [5].

The article is an adaptation from the article about internationalization of the education trade that was presented at the 15th Biennial Conference of Asian Studies called "Globalization: Encounters of Asia and the West" held at the Chinese University of Hong Kong in June 2001. In particular, it concentrates on globalization's impact on higher education and the need for a liberalization of market access such as existing for other services under the World Trade Organization's (WTO) General Agreement on Trade in Services (GATS). The author and Ms. Denise Law Wayne are both staff members at the Trade and Industry Department of the Hong Kong Special Administrative Region government. By the end of the 20th century, globalization was clearly having a profound impact on the economies of many countries, or the world at large. With the through the general decline of the East and the rise of the West in past, the success of the 21st century will depend on whether countries in the West and in the West will be able to "learn from" the "East" [6].

## **1.2 PURPOSE AND SCOPE OF THE STUDY**

In the broadest sense, university stems from the Latin *universitas*, which implies the sharing of human knowledge. Universities constitute an alternative means of producing, sharing and applying knowledge, the purpose of which is to dignify and satisfy the human psychological health of society. The role of universities can therefore be seen as a great instigator of peace, through the encouragement of the inherent global goodwill of scholars, researchers, faculty and professional staff. Universities can promote universal understanding of the world as a single community of humanity, through the elimination of barriers of fear, superstition, isolation, scientific ignorance, poverty, hunger, and environmental threats. They can also encourage the moral and intellectual scientific solidarity of humanity, through the rejection of the wanton destruction of life, religious intolerance, cultural degradation, trifling ethics, the exile of knowledge into separated disciplines, intolerable indifference or aloofness from human tragedies [7].

## **1.3. THE CLOSING OF THE KNOWLEDGE CONTINUM**

The interest to deconstruct and critically analyze the marketization-education nexus in the wake of internationalizing higher education is evident. Little has been written on how certain policy orientations toward the involvement of the state in higher education can create the conditions for market incentives to encourage the internationalization of education in the form of education trade. If state actors are willing to respond to such market incentives, in view of the key role they play in establishing the rules of the international trade game, then they will need to be pressed to consider their responsibility to national populations [8]. Such responsibilities will need to be articulated in ways that are consistent with nondiscriminatory domestic policy orientations which seek either to expand opportunities to realize individual goals and/or to pursue the development of a high-skills, high-wage economy within an international economic system marked by both high and low levels of skill development and low and high technology content. The purpose and scope of this dissertation is to deliver a theoretical framework that can inform future discussions that most crucially are required in the domain of public policy.

## **2. CONCEPTUAL FRAMEWORK**

Education is no longer seen as a public service but as a tradable service, which can be bought and sold in an open competitive knowledge marketplace. Education is also seen as a prime export commodity whose expansion can be accelerated by liberalisation of education markets to the beneficiaries and the consumers. Instead of a knowledge base distinct by national boundaries, based on a sovereign heritage, education has become an economic operation and been put out for transnational commercial circulation [9]. The strengths of a nation's internal education system or the lack of it are, therefore, seen as salient indicators of its competitive capabilities within a global

knowledge economy. This new vision of education has significant implications for educational objectives and content. It also adds yet another dimension to the secrecy well help feedback loop between education and social or national development. In other words, despite the contention in academic circles, globalisation and capitalisation of education appear to have serious implications for both attaining and maintaining educational stature. Yet another dynamic dimension to this process is the multidimensional manner in which globalisation tends to influence education and educational processes at various levels. Such structural changes have great implications on equity issues in educational endeavours as well as on the emerging job markets [10].

The current age of globalisation is characterised by the unprecedented mobility of knowledge. What distinguishes the first networked global information infrastructure of today, which integrates information and communication technologies, from the ones of the past is its potential of integrating the educational system that makes for the infrastructure as well as the outcome of any knowledge-based information society. The way the educational system performs and the kind of learning that it imparts will decide, to a large extent, the kind of civil society and knowledge-based culture that any national society will be endowed with. This unique feature is not only due to the peculiar characteristics of the developmental importance of the educational system in general; it is also due to the direct impact of the levels of educational achievement and educational attainment of the population in general in such an information society [11].

## **2.1. DEFINITION OF GLOBALIZATION IN EDUCATION EXPORT**

As one of the most effective global economic forces, the education export industry is fostering this trend and creating an even more complex educational environment. Today, globalization is reshaping the structure and dynamics of higher education in important ways. Higher education management, financial viability, funding, and educational goals and purposes are all being redefined as a result. Nevertheless, higher education as a unique service can only be provided at the place where students and instructors interact. This study revisits recent research on globalization and distance learning, clarifying common misunderstandings in defining globalization and examining the impact of globalization on higher education exports [12].

Education export is a quintessential transnational business and higher education institutions engage in an ever-increasing global education market. Education exports may take a variety of forms and purposes. The present research defines education export as educational products and services that are offered to individuals and institutions outside the exporter's home country for benefits other than foreign exchange earnings and include non-commercial as well as commercial activities.

## **2.2. THEORETICAL PERSPECTIVES ON GLOBALIZATION AND EDUCATION EXPORT**

### **2.2.1. Perspectives on Globalization and Higher Education Export**

Globalization has gained a lot of interest from several academics, industries, governments, and other stakeholders due to its profound impacts on our lives. The benefits and the potential threats of globalization are the focus of debates and literature. These debates relate to the rapid pace with which globalization is expanding and the fear that its expansion might become uncontrollable. On the other hand, globalization also provides opportunities for liberalization and free trade in many industries, which can improve economies across national boundaries. To trace the roots of globalization, attention is given to economic and socio-economic theories that form the basis for the development of globalization as discussed in the following subsections [13].

### **2.2.2. What is Globalization?**

This section presents a review of the theories that form the foundation for this study. First, an abstract view of globalization is presented through individual elements of economic, political, technology, and culture. Then, literature on the impact of globalization and the export of higher education is reviewed to provide vivid examples illustrating the context of the supply of college and university education in South Africa [14].

## **3. TRENDS IN EDUCATION EXPORT**

The flow of domestic educational services to foreign students is influenced by a number of economic factors and by the policies and actions of individual governments. Among the important variables that can affect an exporting economy's capacity to educate foreigners are the size of any government subsidies or support it provides to educational institutions, the type and rate of taxation imposed on educational institutions, foreign exchange rate fluctuations, the degree of domestic regulation that prevents the development of international branches or campuses, decisions affecting the social mobility of college graduates, and issues related to host-guest strain. This chapter reviews current trends and developments that impact the scale and scope of such education export [15].

A recent working paper estimates the size of the international education market by examining global trends in education trade and market share. The data show that the world market in cross-border education has been expanding rapidly during the last few decades. This expansion can be traced to a significant growth in the number of foreign students at the senior-secondary and tertiary levels, as well as to an upward expansion in the level of educational attainment demanded by foreigners. The paper discusses these trends and considers the implications of education export growth for the economies of origin, the demands of overseas students, the emergence of significant foreign players, and issues concerning state involvement in international trade and the subjective valuation of tertiary education services [16].

### **3.1. GROWTH OF INTERNATIONAL STUDENT MOBILITY**

The growth in global student mobility during (1999-2009) is well aligned with the Global overseas education Industry (OEI), which grew at an annual average rate of 7.25% in 1969-2009. As foreign student mobility continually increases the business from international students, as it brings a large number of profitable students to these countries. The report also shows that countries such as the USA, UK, Canada, Germany, Australia, Singapore, France, Japan, Ireland, and New Zealand have been expanding their educational capabilities to attract and meet the demands of foreign students. The Global overseas education Industry (OEI) is not a homogeneous sector as it has disciplines in the faculties of the world's renowned universities, which are expected to attract a larger number of selective foreign students. This area in the OEI is UK's main strength. The report not only gives information such as enrollment and foreign students but also projects the future growth of the OEI in line with higher levels of educational spending by emerging economies [17].

In the 1960s, dissatisfaction with immigration policy constraints contributed to the development of international students as a new object of economic and foreign policy. This opened the road for numerous internationalization strategies in the education sector and paved the way for ISOs to shape partnerships and engage with bureaucracies around campus, state, and nation. Thus, there is a long tradition of the relation between internationalization strategies and policy engagement on the one hand and international student enrollment on the other hand. Despite a general slowdown of international student growth in the 1980s, business and VET beneficiaries also tried to reap the benefits of fee-paying students. While these initiatives met with various degrees of success, international student numbers boomed in higher education in the period 2000-2010, thereby installing a billion-dollar business. However, not all sides of that business have been a success [18].

### **3.2. EMERGING MARKETS IN EDUCATION EXPORT**

In 2010, the total number of international students studying in the US was 723,000. This equates to a decline in the stated market share of international business education. These students brought \$19M into the economy and supported 230,000 domestic jobs. Most international students study at the undergraduate level, and are supported by financial support and contributions from family and private sources. Education export is the fourth largest service export. Education is the sixth largest job sector growth area in the US, providing an additional 300,000 positions in 2010. In 2010, 40M students were studying outside their home countries. To meet the demand, major organizations have been established in the US to facilitate visa applications. The US attempts to keep the institutional world enrollment below 10% [19].

Emerging markets are providing a range of lower cost destinations to international students – particularly attractive are locations where programs are delivered in English and there are quality educational facilities. Country pull factors that are attracting international students include: ability to

network, quality or prestige, perceived quality, employer payback, government support, and government funding. Quality pull factors attractive to international students have been defined to be similar to attributes held by companies as foreign direct investment (FDI) when they select a country. Institutional pull factors include: legal and environmental aspects of running an institution, ownership or control, performance, and access to markets. Technology pull factors were defined in terms of institutional investment in access to technology, human capital, and technology which could be delivered to the students. Current college level education only represents 65% of the current global self-paced eLearning market. The US hosted 415,000 students in 1999 or 35.4% of the overseas students [20].

#### **4. CHALLENGES AND OPPORTUNITIES**

Another major cooperative constraint lies within political and legislative institutions. In attempting to meet the requirements set by foreign governments, it can be difficult for providers to develop and sustain systems of quality assurance. The result is often inadequate systems of assessment. Environmental instability is also a significant issue in education export, such as governmental ship of trade and, at the national or state level, deregulation leading to a wave of for-profit seeking in and repatriating of profit. Furthermore, students and faculty can experience different levels of displacement or isolation, which can prevent meaningful learning or association. The education shows how universal aspects of student development are presented to degree-seeking foreign students, which include the college selection process, financial aid, housing, family life, and facility with the English language.

Despite the apparent economic benefit of education export, it is not necessarily an easy industry to establish or sustain. Several challenges to success exist. Language, for example, can be a hurdle. Within a culture that is resistant to neologisms, there is a constant tension between the use of education words and the commonly accepted meanings. The result is either to confuse clients or to impose large costs on all communication. Further, being able to accurately gauge relative language skills - a difficult task - could create problems for institutions involved in academic trading. Cultural compatibility between teachers and students is also necessary, given that educational interferences rarely carry out a business-to-client association. In addition, cross-cultural differences in styles of interpersonal communication, learning expectations, and informal and formal learning needs can make such an educational venture challenging [21].

##### **4.1. REGULATORY AND POLICY CHALLENGES**

Language, in human society, is proof of the existence of a closed-enough society or the potential of a particular society to offer but a limited market for the exchange of educational services inherent in



society. Since, divergently, education transformation or revolution, which often necessitates the presence of foreign education experts due mainly to the somewhat hierarchical relationship between developed and less developed countries over human capital base, surely demand the effective and efficient integration of a single medium of mass communication or method of instruction. Only the effective victor in the conflict, nature vs. nurture, would prove whether mankind has the propensity to trek the course global trend of education globalization allows [22].

Aligning education standards, experts say, creating one set of standards is daunting enough, but melding systems into a coherent whole is more formidable still. Many countries have vastly different systems of tests, curriculum, and teacher education, many of which are also generally tied up in the society's political structure or closely scrapped system structure. This condition arises in a situation where some primary components of education have to be in place for the really free movement of students to occur. And without a real free movement of students, then globalization, as far as the education sector is concerned, would remain at a manageable level. And so, there would remain a limit to which the concept, globalization which encompasses the movement of people, goods, and services, could impact on the relevant economies at the desired level.

#### **4.2. ECONOMIC OPPORTUNITIES IN EDUCATION EXPORT**

The connection of education with international wealth is incomparably longer than with export. Already in Ancient Greece, foreign students came to the philosophers of Athens for formal and informal training. During the Middle Ages, the universities of Salerno, Bologna, Oxford, and Paris became the venues for education of not only students of these cities and regions but of the broader part of Europe as well. Initially, international education was seen as an important element of the education of the ruling class, which helped to formulate a common culture for all "elites of Europe". With an increase in the number of universities, in the complexity of fields of study, and the emergence of specialized professions, international education was increasingly used for the harmonization of knowledge in various fields, patterns of professional behavior, academic standards, and e-learning logic. With this growth, the importance of the massification of the process of international education has increased and, more recently, the role of education export as a source of income for educational institutions, as a carrier of social improvements, and as a factor in the development of a given region has been increased [23].

The influence of globalization on economic and social indicators is reflected in the international educational services market, where education becomes an export product. The main beneficiaries of education export are higher education institutions, which are stimulated to change and improve the quality of their activities. The article discusses the types of benefits that the university obtains from achieving success in the international educational services market, identifies barriers to entry, and offers solutions to increase the efficiency of education export. Traditionally, in recent decades, the concept of export has been associated with goods and services that are shipped or provided in a foreign country, but Seth and many other scholars have shown that people can purchase these services by traveling. In this sense, education can certainly be considered as an export product: it is a service provided to foreign citizens on the territory of countries that have educational institutions.

## **5. CONCLUSION**

Since the early 2000s, higher education has been moving center stage in the distant water co-development strategy of sending and receiving nations; this movement is most advanced in sending nations. There is a renewed search for metrics to track the impact of educational human capital on sending and receiving nations and the institutions educating that human capital. Finally, from an institutional perspective, it is an exciting time to be engaging in the business of higher education. However, success in the new environments will demand that U.S. institutions exercise the same strategic planning, research, and data collection and analysis and policy evaluation that have been at the root of the U.S. competitive advantage in education, business, and the economy in an international and commercial realm fraught with uncertainties.

Global interest in higher education and the ability to pay for international and transnational educational experiences have never been stronger. However, the global dollar for higher education market has made it harder for individual institutions to increase their year-to-year tuition and fee flow, which in turn has led to attempts to transplant U.S. models of public-private partnerships, a renewed recognition of the utility of international education as pedagogy, funding support for national policy goals, and recognition of the need for smarter federal/state, local, and institutional investment in national human capital development. Key to all of this is maintaining U.S. leadership in innovation, access to international experience for U.S. citizens and students at U.S. institutions, and U.S. institutions' ability to provide the governmental, corporate, and public sector institutions building the global knowledge economies around the world with the modes, norms, and standards of higher education and levels of human capital development necessary to remain or become globally competitive.

### **5.1 IMPLICATIONS FOR POLICY AND PRACTICE**

Teacher educators, at the coalface of international education, play a key role in building the professional capabilities of pre-service and in-service teachers through raising their awareness of the globalizing orientation of the education system. Teacher educators, therefore, need to have experienced the globalized society, have a profound knowledge of its implications for education, and ensure that the graduating teachers of tomorrow are up to date in didactic and pedagogical skills and knowledge requirements. It is at the preservice level that teachers should be introduced to the same pedagogical skills and the theoretical background of teaching students from multicultural and multilingual backgrounds. Continuing education and professional development programs should also take into account the implications of globalization for the teaching profession.

In addition, considerable benefits at the national and institutional levels can be derived from establishing a more professional approach to engaging in education export. Education export, as yet,

is predominantly the domain of individual academics and administrators, and as such, it is vital that they be supported in their efforts to attract non-domestic students to their institution so that the long-term, national benefits of international education can be realized. Staff working in international education should receive formal training, and performance appraisal systems need to formally recognize and be linked to achievement in overseas student recruitment. It is also necessary to provide appropriate incentives to all those who undertake overseas student recruitment tasks. This may take the form of an incentive scheme that rewards staff for the recruitment of overseas students and their successful completion of studies.


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## AUTHOR'S INTRODUCTION

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